Proposals Affecting Section 32— CBO's Estimate of the President's Fiscal Year 2021 Budget

The Fund for Strengthening Markets, Income, and Supply, often referred to as Section 32, is administered by the Agricultural Marketing Service in the Department of Agriculture to encourage domestic consumption or export of agricultural commodities. The fund receives an appropriation equal to 30 percent of gross customs receipts collected during each preceding calendar year. Section 14222 of the 2008 Farm Bill established an annual amount that can be retained from those collections for Section 32 activities, with the remaining amounts transferred to the Food and Nutrition Service for Child Nutrition Programs. CBO's projections of outlays for Section 32 are based on recent trends in spending from that account.

These estimates are based on CBO's baseline budget projections as of March 6, 2020, which do not incorporate changes to the nation's economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Proposals Affecting Section 32—CBO's Estimate of the President's Fiscal Year 2021 Budget

Millions of Dollars, by Fiscal Year

March 25, 2020

| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2021- 2025 | 2021- 2030 |
|--|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------------|---------------|
| | Increases or Decreases (-) in Direct Spending Outlays | | | | | | | | | | | |
| Section 32 March 2020 Baseline Outlays | 996 | 960 | 965 | 970 | 974 | 979 | 984 | 988 | 993 | 999 | 4,864 | 9,807 |
| New Dedicated Streams of Funding Under Policy | | | | | | | | | | | | |
| Section 32 Projected Outlays | 279 | 288 | 294 | 301 | 308 | 315 | 322 | 329 | 336 | 344 | 1,469 | 3,116 |
| Commodity Spending for Child Nutrition Programs | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 2,465 | 4,930 |
| Fresh Fruit and Vegetable Program in Child Nutition Programs | <u>183</u> | <u>188</u> | <u>193</u> | <u>197</u> | <u>202</u> | <u>207</u> | <u>212</u> | <u>216</u> | <u>221</u> | <u>226</u> | <u>963</u> | <u>2,045</u> |
| Total | 955 | 969 | 980 | 991 | 1,003 | 1,015 | 1,027 | 1,038 | 1,050 | 1,063 | 4,897 | 10,091 |
| Net Change From Policy | -41 | 9 | 15 | 22 | 28 | 36 | 43 | 50 | 57 | 65 | 33 | 283 |

These estimates are based on CBO's baseline budget projections as of March 6, 2020, which do not incorporate changes to the nation's economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Components may not sum to totals because of rounding.